



Kentucky Board of Education



Legislative Agenda

January 2008





The Kentucky Board of Education 2008 LEGISLATIVE AGENDA

PRINCIPAL SELECTION

Require the superintendent to appoint the principal of a Level 3 school after consulting with the school council if the scholastic audit finds a lack of effectiveness of the principal and the council.

Currently, a superintendent or a highly skilled educator may assume the responsibility of the school council if the council does not improve its functioning when that school has been at Assistance Level 3 for two successive biennia. This authority, based on the findings of a scholastic audit, includes hiring a principal if there is a vacancy. Strong leadership is essential for turning around struggling schools and should occur more quickly. The responsibility for hiring principals in Level 3 schools, which are the state's lowest performing, should be assigned to the superintendent, after consultation with the council, when the scholastic audit finds a lack of effectiveness of the principal and the council.

SCHOOL FACILITIES EVALUATION COMMITTEE RECOMMENDATIONS

The 2006 budget bill required the Kentucky Department of Education, in partnership with the School Facilities Construction Commission, to conduct a comprehensive evaluation of the processes for planning, funding and maintaining school facilities. Local superintendents, finance officers, facility managers and other local school personnel, worked on this effort. The group recommended a number of changes to state statutes, including the following:

Taxing Authority

Amend KRS 157.440 Facilities Support Program of Kentucky (FSPK) to increase the five-cent equivalent tax rate for facilities to ten cents. All districts should be required to levy ten cents. Those districts already levying ten cents or more are authorized to levy an additional five cents, but are not required to do so. All facility funding (except the growth levy) should become part of the FSPK program.

Local districts need additional funds to meet the facilities needs of Kentucky's school districts. Increasing the required tax rate for participation in the FSPK from five cents to 10 cents ensures continuation of an equitable program, with the addition of both state and local funding. This will provide an estimated \$175 million available for bonding for school facilities from state and local sources.

Amend KRS 160.470 to permit a local board of education to levy a tax rate no lower than the rate set by the board in the previous year.

The interaction between SEEK and existing taxing authority statutes will sometimes require districts to lower tax rates. While the phenomenon is more common in growing districts, it is not limited to growth. Assessment changes and changes in base SEEK funding can yield a similar result. The five cent equivalent tax rate for FSPK and any other dedicated facility levies must be set aside from a district's tax levy. If a district is forced to lower the tax rate, the facility levy comes off the top, resulting in the potential reduction of the percentage of local revenue dedicated to the General Fund. This funding for facilities should not come at the expense of the General Fund. This change also recognizes the special needs of growing districts, and the authority to maintain tax rates is one way to assist in meeting their unique needs.

Remove the sunset of the facility growth nickel provision.

Authority to levy the growth nickel as provided in KRS 157.621 expired when the General Assembly fully funded the Facilities Support Program. Every budget bill since the sunset provision has allowed qualifying local boards to levy the tax. While the growth nickel affects only a few districts, it should be a viable option for those who qualify when experiencing exceptional growth without the capacity to address it.

Use of Restricted Funds Capital Outlay and FSPK

Allow Capital Outlay to be used for Tier 2B Maintenance with Kentucky Department of Education (KDE) approval (replacement of components of a useful system that is expected to operate for at least three more years and identified on the facility plan).

Allow Capital Outlay and FSPK to be used for Tier 3 Capital Replacement (one major building system).

Allow Capital Outlay to be used for maintenance without forfeiting the district's participation in the SFCC upon approval of the commissioner. Maintenance does not include property insurance.

Existing law does not include a definition of maintenance. Sound, intentional maintenance of buildings is one of the best ways to address equity and to preserve the financial commitment to the schools of Kentucky.

Allow rapid-growth districts to use restricted or special funds for operational purposes during the first biennium of a new school's operation.

One of the many challenges that a high growth district faces is the operational expenses of new schools. Allowing the use of restricted funds for this purpose would help bridge the gap from move-in until the funding catches up with the operation.

Modify KRS 154.420 and KRS 157.440 to allow land for new schools or modifications to existing schools to be purchased with restricted cash for projects noted on the District Facilities Plan for use in the next eight years. Land would not be counted in the calculation of need.

The Office of Education Accountability (OEA) report noted that, "School districts that have sufficient bonding potential to purchase land at the same time that construction is approved are permitted to pay for land with School Facilities Construction Commission (SFCC) building fund or capital outlay funds. However, most districts must purchase land in anticipation of school construction because they do not have sufficient bonding potential to acquire land and begin construction immediately. This puts districts with limited bonding potential at a disadvantage because they cannot use facility funds for land and must finance land with general fund dollars. In addition, this contributes to an inequitable treatment of districts." Forcing districts to bear this expense out of general fund dollars, even for a short time, creates an undue burden on the districts.

DROPOUT PREVENTION GRANTS

Amend KRS 158.146(4) to remove priority in the awarding of dropout prevention grants to districts with a chronically high dropout rate; remove the requirement to direct 75% of available funds to elementary and middle school students and 25% to high school students; and focus the grant program on supporting promising proven practices that are systemic, scaleable and replicable and aligned with the principles of secondary reform.

Dropout prevention needs to move forward in the context of persistence to graduation for all students and be more closely tied to the overall middle and high school reform agenda. KRS 158.146(4) requires that priority for grants be given to districts that average, over a three-year period, a student dropout rate of 5% or more. When the statute was enacted, that criterion captured a large number of districts. Today, because of the progress that has been made, the number of eligible districts is much smaller. The program guidelines need to be revised to reflect the current status of the program and support proven district systemic initiatives.

SURPLUS TECHNOLOGY PROPERTY

Allow schools to surplus technology property without public bid to provide refurbished computers to needy students for home use.

School districts would like to establish and operate a local "No Child Left Offline Program." Several national studies show that students without a computer in their home are at a clear disadvantage in completing academic assignments and collaborating with their peers on school related projects.

Currently, districts must advertise surplus computers for sale. Only if no person bids can districts give the computers to needy K-12 students for home use. At the state level, surplus computers are collected from state agencies, refurbished by state prisoners and then given to needy 8th graders for instructional use at their homes. Many students are not reached by the state program. Students could greatly benefit in two ways if local districts were permitted to give their surplus computers directly to students.

First, it gives K-12 students who are part of student technology leadership programs and area technology centers the learning experience of refurbishing computers and an opportunity for community service. Second, computers bought by K-12 for their students can continue to be used by K-12 students for instructional use at home.

COMPENSATION FOR RETIRED EDUCATORS WORKING ON SCHOLASTIC AUDITS AND REVIEWS

Allow retired educators serving on scholastic audit and review teams to be paid at the same daily rate as the other team members, as opposed to the limitation of 65% or 75% of the individual's final annual compensation measured on a daily rate.

Scholastic audits and reviews are a keystone of the department's school improvement efforts. The department has traditionally relied on experienced, retired educators to fill these teams; however, the state laws for retired educators have changed and limit retirees to earning 65% or 75% of their annual daily rate depending upon their years of service. Previously, educators who retired before June 2002 and worked less than 100 days were not subject to this salary limitation. This has greatly reduced the applicant pool for the teams and will reduce the experience level of the teams.

COMPULSORY SCHOOL ATTENDANCE

Raise the compulsory school age to 17 in 2008-2009 and 18 in 2009-2010

As the economy demands a higher-skilled labor force, research shows that dropouts have fewer chances for success later in life. According to 2002 U.S. Census Bureau information, adults who have not completed high school earn an average income of \$18,900 a year, compared to \$25,900 for adults with a high school diploma or GED. Dropouts are more likely to receive public welfare, have health problems and be incarcerated. In 2006, 4,984 students dropped out of grades 9-12. The compulsory school age should be raised to 17 in 2008-2009 and 18 in 2009-2010.



The Kentucky Board of Education BUDGET PRIORITIES*

1. Support Education Excellence in Kentucky (SEEK) Increase

KRS 157.420 states, “Beginning with the 2004-2006 biennium, the Kentucky Board of Education shall not approve any working budget or salary schedule for local boards of education for any school year unless the one hundred eighty-five (185) day salary schedule for certified staff has been adjusted over the previous year’s salary schedule by a percentage increase at least equal to the cost-of-living adjustment that is provided state government workers under the biennial budget.”

It is recommended that a 3 percent increase in the SEEK base per pupil be appropriated for FY09 and FY10.

	<u>FY 09</u>	<u>FY 10</u>
5% salary increase (Including associated retirement match)	\$192.2M	\$376.5M
3% (Increase in SEEK base)	\$ 51.3M	\$128.1M

2. Assessments

Increase individual student accountability. Use the assessments mandated through 2006 SB 130 (ACT/WorkKeys) and by 2006 HB 197 (End-of-Course Assessment) to ensure the rigor in secondary work necessary for postsecondary success.

	<u>FY 09</u>	<u>FY 10</u>
ACT/WorkKeys	\$1M	\$1.1M
End-of-Course Assessment (Algebra I, Algebra II and Geometry)	\$3.2M	\$4.2M

Include funding to provide assessments:

- required or authorized by NCLB (Alternate Assessment, 2% Assessment),
- required by CATS (elementary norm-referenced), and
- requested by the field to support student achievement (online assessment, diagnostic and formative assessment)

	<u>Bonds FY 09</u>	<u>FY 09</u>	<u>FY 10</u>
Alternate Assessment		\$.5M	\$.5M
2% Assessment		\$2.5M	\$2.5M
Norm-Referenced Test (elementary)		\$.75M	\$.75M
Online Assessment/Diagnostic and Formative Assessment	\$15 M*		

*For existing programs, the amount requested is in addition to the current appropriation.

3. Kindergarten/Preschool

Require programs to assure that our students start ready for school through the provision of full-day kindergarten and the funding of preschool programs for all students whose families are at the 200% of poverty level.

	<u>FY 09</u>	<u>FY 10</u>
Preschool at 200%	\$13.5M	\$13.5M
Full-Day Kindergarten (phase in)*	\$20.8M	\$41.6M

*Appropriation increases the weight from .5 to .6 using FY07 SEEK base amount. Additional funding is needed if the SEEK base is increased.

4. Scholastic Audit/Assistance Teams

Increase funding/staffing for additional Scholastic Audits to occur in all schools and districts not meeting their assistance goals (CATS - Level 1, 2 and 3 schools; NCLB – Tier 1, 2, 3, 4 and 5 schools; Tier 2 and 3 districts). Also, increase funding/staffing for additional intervention and follow-up assistance to schools and districts subsequent to the Scholastic Audit (or other) processes, including support for additional Partnership Assistance Teams (PAT), School Assistance Teams (SAT) and Network Assistance Teams (NAT), and sufficient time and resources for those teams to achieve success and build local capacity.

	<u>FY 09</u>	<u>FY 10</u>
Scholastic Audits/Assistance Teams	\$3.3M	\$1.5M

5. Gifted and Talented Education

Provide adequate funding for the gifted and talented education program to assure that these students are provided access to an appropriately rigorous and challenging curriculum reflective of their capacities and interests.

	<u>FY 09</u>	<u>FY 10</u>
Gifted and Talented	\$10.1M	\$10.1M

6. Alternative Education Programs

Ensure that state agency children and students receiving services through alternative education programs are provided access to a rigorous curriculum and the additional services necessary to provide them with the opportunity to reach proficiency.

	<u>FY 09</u>	<u>FY 10</u>
KECSAC – Direct Student Services (request from KECSAC)	\$11.8M	\$11.8M

*For existing programs, the amount requested is in addition to the current appropriation.

7. Parent Involvement

Provide resources for training, forums and instructional materials to engage parents in the education process.

	<u>FY 09</u>	<u>FY 10</u>
Parent Involvement Initiatives	\$.7M	\$.7M

8. School Facilities Support Program

Ensure that students attend school in an environment conducive to learning by increasing the required local effort to participate in the School Facilities Support Program from 5 cents to 10 cents and funding equalization. In addition, roll all existing equalization budget actions from 2003 into an equitable revenue model for all districts.

	<u>FY 09</u>	<u>FY 10</u>
SEEK School Facilities Support Program	\$55.2M	\$55.2M

9. SEEK Transportation

Increase funding for student transportation in the Support Education Excellence in Kentucky (SEEK) funding formula to transport students in grades primary through 12 living more than one mile from school.

	<u>FY 09</u>	<u>FY 10</u>
SEEK Transportation	\$68.5M	\$80.0M

10. Secondary Reform

Ensure that specific attention is paid to the grade levels in greatest need of assistance – middle and high school – through the continuation and expansion of proven high school restructuring initiatives (Secondary Alliance work, interventions for high school and college readiness, dual credit options, support for at-risk youth, academic and career advising, new pathways and expanded learning options, Individual Learning Plans, expansion of virtual learning, etc.).

	<u>FY 09</u>	<u>FY 10</u>
Secondary Redesign Support Network	\$.9M	\$.9M
Kentucky Virtual High School	\$.8M	\$.8M
Transitional Courses in Math, Science, & Literacy	\$.3M	\$.15M
Connecting At-Risk Youth to Educational Opportunity	\$.5M	\$.7M
Response to Intervention Pilot/Intervention Strategies	\$.3M	\$1.6M
Individual Learning Plan	\$.75	\$.75

*For existing programs, the amount requested is in addition to the current appropriation.



The Kentucky Board of Education CAPITAL PROJECTS REQUEST

	FY09	FY10
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STUDENT DATA MANAGEMENT SYSTEM

	\$8M	\$0
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This project is to continue replacement of the student data management system in all public schools and school districts in Kentucky. Data from this system is used at the school, district and state levels for analysis and decision making as well as for required state and federal reporting.

KNOWLEDGE MANAGEMENT PORTAL

	\$5M	\$1.25M
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The Kentucky Department of Education, in conjunction with public school teachers and administrators, is pursuing development of an electronic interactive community of learning centered on classroom practice. This system will assist educators, parents and students to connect curriculum, instruction and assessment with other data generated by schools and by the KDE. These resources will include but are not limited to curriculum maps, standards-based units of study, lesson plans, access to formative assessments and assessment results, courses, source materials and other instructional tools.

ONLINE ASSESSMENT

	\$7.5M	\$7.5M
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This technology-based project would enhance the department's testing program by providing an online platform for the assessment of students with rapid turnaround of score results and the ability to provide an online student statewide assessment.

REDEVELOP AND RENOVATE CAMPUSES

KENTUCKY SCHOOL FOR THE DEAF

	\$1M	\$16.9M
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KENTUCKY SCHOOL FOR THE BLIND

	\$.7M	\$ 9.8M
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These projects will redesign/renovate the Kentucky School for the Deaf (KSD) and Kentucky School for the Blind (KSB) campuses. This is part of a comprehensive implementation plan designed to help deaf and hearing-impaired students at KSD and blind and visually impaired students at KSB and throughout Kentucky to reach proficiency by 2014.